



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

May 10, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

61 May 10, 2011

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**RESCIND AWARD AND REAWARD OF A PUBLIC WORKS  
CONSTRUCTION CONTRACT  
BARRANCA AVENUE FROM GLADSTONE STREET TO NEWBURGH STREET  
IN THE UNINCORPORATED COMMUNITY OF EAST AZUSA  
(SUPERVISORIAL DISTRICT 1)  
(3 VOTES)**

### **SUBJECT**

This action is to rescind the award of a public works construction contract to Mega Lighting, Inc., dba Mega Way Enterprises and award it to Yakar and authorize the Director of Public Works or her designee to execute the contract for work in the unincorporated community of East Azusa.

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find the apparent lowest bid submitted by Mega Lighting Inc., dba Mega Way Enterprises nonresponsive for failure to submit the required insurance documents and rescind the award of the contract to Mega Lighting, Inc., dba Mega Way Enterprises.
2. Find that Yakar is the lowest responsive and responsible bidder and award the construction contract to Yakar in the amount of \$310,261.69, for Project ID No. RDC0014494 – Barranca Avenue from Gladstone Street to Newburgh Street, to construct median landscape improvements, in the unincorporated community of East Azusa.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to obtain approval from your Board to rescind the award from a bidder that was nonresponsive and award this contract to the next bidder and authorize the

Director of Public Works (Director) or her designee to execute the contract and establish the effective contract date following receipt of approved Faithful Performance and Labor and Materials Bonds and insurance filed by contractor for this project.

On September 21, 2010, Agenda Item 32, your Board approved the project, adopted the plans and specifications, and called for bids to be received on October 19, 2010. On January 4, 2011, Agenda Item 24, your Board approved awarding this project to Mega Lighting, Inc., dba Mega Way Enterprises following receipt of the required bonds and insurance. Subsequent to the award of the contract, Mega Way Enterprises failed to submit valid insurance documents as required by the project Specifications and Instructions to Bidders.

The enclosure includes the project description, call for bids and bid opening date, tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal for the project were previously submitted with the January 4, 2011, recommendation.

The recommended construction contract is necessary to execute a Board directed and approved Department of Public Works (Public Works) project in support of operational missions. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). Awarding this contract will provide improved infrastructure to better serve the public and will enhance the quality of life in the affected community.

### **FISCAL IMPACT/FINANCING**

These actions will have no impact to the County General Fund.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

Financing for this project is included in the First Supervisorial District's Road Construction Program in the Fiscal Year 2010-11 Road Fund Budget. The Road Fund will be reimbursed with First Supervisorial District Funds in the Fiscal Year 2010-11 Public Works General Fund Budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractors are in compliance with the requirements of the Chief Executive Officer and your Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting your Board's ordinances, policies, and programs including but not limited to: County of Los Angeles' (County) Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to

Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contracts are awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

### **ENVIRONMENTAL DOCUMENTATION**

On September 21, 2010, Agenda Item 32, your Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

### **CONTRACTING PROCESS**

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, each of these projects was listed on the County website for upcoming bids.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This construction contract will result in improved public works infrastructure in the community where the work is scheduled.

**CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid.

GAIL FARBER  
Director

GF:JTS:ss

Enclosures

c: Chief Executive Office (Rita Robinson)  
County Counsel  
Executive Office  
Office of Affirmative Action Compliance

AWARD OF CONTRACT  
May 10, 2011

PROJECT ID NO. RDC0014494 – BARRANCA AVENUE FROM GLADSTONE STREET TO NEWBURGH STREET (in the unincorporated community of East Azusa), Supervisorial District 1

TYPE OF WORK: Construction of median landscape improvements and the performance of other appurtenant work.

CALL FOR BIDS DATE: September 21, 2010 (Agenda Item 32)

BID OPENING DATE: October 19, 2010

BID SUMMARY:

Low	Yakar 113 East Arrow Highway San Dimas, California 91773 (909) 599-1612	\$310,261.69
2	*B & T Works, Inc.	\$312,080.00
3	Bannaoun Engineers Constructors	\$314,736.25
4	West Coast Public Works, Inc.	\$322,170.00
5	Excel Paving Company	\$342,332.01
6	*Simgel Company, Inc.	\$347,720.00
7	*4-Con Engineering, Inc.	\$350,960.00
8	*Land Forms Landscape Construction	\$366,566.25
9	*Martinez Landscaping Co.	\$367,965.70
10	Oak Tree Construction, Inc.	\$399,778.51
11	Gentry Brothers, Inc.	\$410,280.00
12	Y & M Construction	\$413,442.50
13	MG Enterprises	\$448,190.00

\*MWBE

KASA Construction, Inc., submitted a bid for \$267,393.25. However, they did not submit a proper bid bond, which is required as part of their bid proposal. KASA Construction, Inc.'s bid is considered nonresponsive and rejected in accordance with the Instructions to Bidders, Paragraph H, "Nonresponsive Bids and Bid Rejection."

Mega Lighting, Inc., dba Mega Way Enterprises submitted a bid for \$301,021.71 and was awarded the contract on January 4, 2010. However, they did not submit the required insurance forms and their bid is considered nonresponsive.

FINANCIAL INFORMATION:

Amount of estimate	\$464,595.00
Amount of recommended contract	\$310,261.69
Amount of recommended contract below estimate	\$154,333.31

The amount of the recommended contract is 33 percent below the estimate.

There will be no impact to the County General Fund. Financing for this project is included in the First Supervisorial District's Road Construction Program in the Fiscal Year 2010-11 Road Fund Budget. The Road Fund will be reimbursed with First Supervisorial District Funds in the Fiscal Year 2010-11 Public Works General Fund Budget.

MINORITY/WOMEN-OWNED BUSINESS ENTERPRISE DATA:

Yakar has no MWBE subcontractors/suppliers under this contract.

ENVIRONMENTAL IMPACT:

On September 21, 2010, Agenda Item 32, your Board found this project categorically exempt.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 40 working days. It is estimated the work will start in July 2011 and be completed in September 2011.

JFG:ss